



CITY COUNCIL
ATLANTA, GEORGIA

03- R -1391

A RESOLUTION

BY TRANSPORTATION COMMITTEE

A RESOLUTION AUTHORIZING THE MAYOR OR HER DESIGNEE TO EXECUTE AN AMENDATORY AGREEMENT WITH DELTA AIR LINES, INC., COVERING THE REIMBURSEMENT OF FUNDS RELATED TO CERTAIN SPECIAL FACILITY BONDS BY THE CITY AND MEMORIALIZING THE REPAYMENT TERMS OF THAT REIMBURSEMENT UNDER THE AMENDED AND RESTATED LEASE AGREEMENT BETWEEN THE CITY OF ATLANTA AND DELTA AIR LINES, INC. FOR THE TECHNICAL OPERATIONS CENTER AND CENTRAL TERMINAL SUPPORT AREA, DATED DECEMBER 1, 1989, AT HARTSFIELD ATLANTA INTERNATIONAL AIRPORT (THE "TOC/CTSA LEASE"); FOR AN AMOUNT NOT TO EXCEED \$5,400,000.00, TO BE CHARGED TO AND PAID FROM FUND ACCOUNT CENTER NO. 2H27 529010 R21E010493CG; AND FOR OTHER PURPOSES.

WHEREAS, Resolution 03-R-0087, a copy of which is attached hereto as Exhibit 1, authorized the Mayor to enter into an amendatory agreement (the "First Amendment") with Delta Air Lines, Inc. ("Delta"), which provides for the relinquishment by Delta to the City of approximately 3.03 acres of land leased to Delta (the "Surrender Premises") by the City under the TOC/CTSA Lease for Delta's Technical Operations Center ("TOC") and Central Terminal Support Area at the Hartsfield Atlanta International Airport for use in relation to the new Airport Traffic Control Tower and East International Terminal sites; and

WHEREAS, the First Amendment anticipated that the City would mitigate and cure the damages to Delta caused by the taking of the Surrender Premises, and the City would compensate Delta for certain released, removed, replacement and interim improvements and facilities; and

WHEREAS, Delta, as part of a greater financing, had previously financed with tax-exempt special facility bonds, at a favorable interest rate, certain of the original improvements and facilities being released, removed or replaced; and

WHEREAS, pursuant to federal tax law applicable to tax exempt bonds, Delta will cause the portion of the bonds related to those original improvements and facilities being removed, with a principal amount of \$5.4 million (the "Bond Reimbursement Amount"), to be retired after some or all of those original improvements and facilities are taken out of service; and

WHEREAS, in further mitigation and good faith settlement of Delta's damages with respect to the City's taking of the Surrender Premises, the City has agreed to reimburse Delta the Bond Reimbursement Amount, with Delta paying rentals with respect thereto as hereinafter provided; and

WHEREAS, Delta agrees to make monthly rental payments to the City in repayment of the Bond Reimbursement Amount based on a level debt amortization term of twenty-seven years (the "Bond Reimbursement Term") at a



fixed interest rate of 3.009% per annum, compounded monthly in arrears; provided, however, that in the event the term of the TOC/CTSA Lease expires and is not renewed or extended to coincide with or extend beyond the expiration of the Bond Reimbursement Term, Delta shall pay a rental equal to the remaining principal balance of the Bond Reimbursement Amount on such expiration; and

WHEREAS, the City and Delta desire and intend to enter into an agreement amending the TOC/CTSA Lease and memorializing their agreements as to the Bond Reimbursement Amount and the repayment terms of the reimbursement (the "Second Amendment");

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ATLANTA, GEORGIA, that the Mayor or her designee be and is hereby authorized to execute on behalf of the City of Atlanta an Amendatory Agreement with Delta Air Lines, Inc., covering the reimbursement by the City to Delta of the \$5,400,000.00 million Bond Reimbursement Amount and memorializing the repayment terms of the reimbursement under the TOC/CTSA Lease.

BE IT FURTHER RESOLVED that the cost to the City under said Amendatory Agreement is to be charged to and paid from Fund Account Center No. 2H27 529010 R21E010493CG.

BE IT FURTHER RESOLVED that the City Attorney be and hereby is directed to prepare said Amendatory Agreement for execution by the Mayor.

BE IT FINALLY RESOLVED that said Amendatory Agreement shall not become binding upon the City, and the City shall incur no obligation or liability thereunder until the same has been signed by the Mayor and delivered to Delta.

A true copy,

Rhonda Daughin Johnson
Municipal Clerk, CMC

ADOPTED by the Council
APPROVED by the Mayor

SEP 15, 2003
SEP 23, 2003

RCS# 5022
9/15/03
2:32 PM

Atlanta City Council

Regular Session

03-R-1391 AMENDATORY AGRMNT W/DELTA AIR LINES, INC
\$5,400,000.00
ADOPT

YEAS: 11
NAYS: 0
ABSTENTIONS: 1
NOT VOTING: 2
EXCUSED: 0
ABSENT 2

Y Smith	Y Archibong	Y Moore	A Mitchell
Y Starnes	NV Fauver	B Martin	Y Norwood
Y Young	Y Shook	B Maddox	Y Willis
Y Winslow	Y Muller	Y Boazman	NV Woolard



**CITY COUNCIL
ATLANTA, GEORGIA**

EXHIBIT 1

A RESOLUTION AS AMENDED

03-R-0087

BY TRANSPORTATION COMMITTEE

A RESOLUTION AUTHORIZING THE MAYOR OR HER DESIGNEE TO EXECUTE AN AMENDATORY AGREEMENT WITH DELTA AIR LINES, INC., COVERING THE RELINQUISHMENT TO THE CITY OF APPROXIMATELY 3.03 ACRES OF LAND LEASED TO DELTA BY THE CITY UNDER THE AMENDED AND RESTATED LEASE AGREEMENT, DATED DECEMBER 1, 1989, FOR DELTA'S TECHNICAL OPERATIONS CENTER AT HARTSFIELD ATLANTA INTERNATIONAL AIRPORT.

WHEREAS, the City of Atlanta (the "City") and Delta Air Lines Inc. ("Delta") are parties to an Amended and Restated Lease Agreement ("TOC Lease"), dated December 1, 1989, for Delta's Technical Operations Center ("TOC"), which serves as Delta's primary aircraft maintenance facility at Hartsfield Atlanta International Airport ("Hartsfield"); and

WHEREAS, the City has undertaken the design and construction of a new East International Terminal ("EIT") and related aircraft ramp, entrance roadway, and vehicle parking facilities to improve service to international airlines and their passengers at Hartsfield; and

WHEREAS, the Federal Aviation Administration ("FAA") and the City have jointly determined that the new Air Traffic Control Tower ("ATCT"), to be constructed in support of the fifth runway project at the Airport, must be sited adjacent to and partially upon land comprising the Delta TOC at Hartsfield; and

WHEREAS, the City requires the use of a portion of Delta's TOC Leased Premises in connection with both the EIT project and the ATCT, and Delta is ready and willing to relinquish the portion of the Delta TOC Leased Premises needed by the City for the ATCT and the first phase of the EIT project which is the subject of this legislation; and

WHEREAS, the City and Delta desire and intend to enter into an agreement amending the TOC Lease and memorializing the relinquishment of the portion of Delta's TOC needed for the first phase of the EIT project and the ATCT (the "Amendatory Agreement"); and

WHEREAS, the FAA and the City desire and intend to enter into an agreement covering the leasing of the site upon which the ATCT will be located, and which comprises a portion of the Delta TOC Leased Premises to be relinquished hereunder, and the execution of such agreement is contingent upon the execution of the Amendatory Agreement contemplated hereunder; and

WHEREAS, in order to mitigate and cure the damages to Delta caused by the partial taking of the Delta TOC Leased Premises for the EIT project and the ATCT, Delta and the City also desire and intend to simultaneously enter into a companion Reimbursable Agreement, under which Delta would design and construct and the City would compensate Delta for certain replacement and interim facilities, including but not limited to replacement of a materials storage facility, a new parking deck and new or refurbished surface parking areas, and



operate a temporary employee busing service, at a cost to the City not to exceed Thirteen Million, Five Hundred and Eleven Thousand, and Thirty Six Dollars (\$13,511,036.00); and

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ATLANTA, GEORGIA, that the Mayor or her designee be and hereby is authorized to execute on behalf of the City of Atlanta an Amendatory Agreement with Delta Air Lines, Inc., which shall provide for the relinquishment by Delta to the City of approximately 3.03 acres of land within its Leased Premises under the Amended and Restated Lease Agreement for the Technical Operations Center at Hartsfield Atlanta International Airport, and for the temporary continued use by Delta of certain portions said property for time periods that will not exceed one (1) year thereafter.

BE IT FURTHER RESOLVED that the City Attorney be and hereby is directed to prepare said Amendatory Agreement for execution by the Mayor.

BE IT FINALLY RESOLVED that said Amendatory Agreement shall not become binding upon the City, and the City shall incur no obligation or liability thereunder until the same has been signed by the Mayor and delivered to Delta.

A true copy,

Rhonda Daughin Johnson
Municipal Clerk, CMC

ADOPTED as amended by the Council
APPROVED by the Mayor

FEB 03, 2003
FEB 11, 2003

03-1391

(Do Not Write Above This Line)

A RESOLUTION

BY TRANSPORTATION COMMITTEE

A RESOLUTION AUTHORIZING THE MAYOR OR HER DESIGNEE TO EXECUTE AN AMENDATORY AGREEMENT WITH DELTA AIR LINES, INC., COVERING THE REIMBURSEMENT OF FUNDS RELATED TO CERTAIN SPECIAL FACILITY BONDS BY THE CITY AND MEMORIALIZING THE REPAYMENT TERMS OF THAT REIMBURSEMENT UNDER THE AMENDED AND RESTATED LEASE AGREEMENT BETWEEN THE CITY OF ATLANTA AND DELTA AIR LINES, INC. FOR THE TECHNICAL OPERATIONS CENTER AND CENTRAL TERMINAL SUPPORT AREA, DATED DECEMBER 1, 1989, AT HARTSFIELD ATLANTA INTERNATIONAL AIRPORT (THE "TOC/CTSA LEASE"); FOR AN AMOUNT NOT TO EXCEED \$5,400,000.00, TO BE CHARGED TO AND PAID FROM FUND ACCOUNT CENTER NO. 2H27 529010 R21E010493CG; AND FOR OTHER PURPOSES.

ADOPTED BY

☐ CONSENT REFER SEP 15 2003

☐ REGULAR REPORT REFER

☐ ADVERTISE & REFER **COUNCIL**

☐ 1st ADOPT 2nd READ & REFER

☐ PERSONAL PAPER REFER

Date Referred

Referred To:

Date Referred

Referred To:

Date Referred

Referred To:

First Reading

Committee _____
Date _____
Chair _____
Referred To _____

Transportation
Committee
Date 9/10/03

Chair _____
Action _____
Fav, Adv, Hold (see rev. side) _____
Other _____

Members _____
Refer To _____

Committee

Date

Chair

Action

Fav, Adv, Hold (see rev. side)

Other

Members

Refer To

Committee

Date

Chair

Action

Fav, Adv, Hold (see rev. side)

Other

Members

Committee

Date

Chair

Action

Fav, Adv, Hold (see rev. side)

Other

Members

SEP 15 2003

Rod Douglas Johnson
MUNICIPAL CLERK

MAYOR'S ACTION

Shirley Stankis
MAYOR

FINAL COUNCIL ACTION

☐ 2nd ☐ 1st & 2nd ☐ 3rd

Readings

☐ Consent ☐ V Vote ☒ RC Vote

CERTIFIED

CERTIFIED
SEP 15 2003

ATLANTA CITY COUNCIL PRESIDENT

Catherine L. Hubbard